Higher Payment for IBP Shares by IOC

1477. SHRI NILOTPAL BASU: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government are aware that Ministry of Petroleum and Natural Gas in the wake of observations that IOC might have paid more for the purchase of IBP shares in the recent disinvestment, had defended IOC decision in some electronic media on the basis of valuation of IBP assets by replacement cost method;

(b) if so, whether the valuation of IBP on which Government took its final decision to arrive at the reserve price was on the basis of replacement cost method; and

(c) if so, the details thereof and the valuation of IBP made on the basis of the four internationally accepted methods?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) After considering all aspects, Government decided to accept the highest bid of IOC for sale of 33.58% of equity of IBP.

(b) and (c) After considering the valuation under different methods and all other factors into account, Government decided to adopt the reserve price for IBP shares at Rs. 507 per share based on the Discounted Cash Flow methodology.

Purchase of IBP Shares by IOC

1478. SHRI A. VIJAYA RAGHAVAN: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether IOC has purchased the IBP shares;

(b) if so, the details thereof;

(c) the price per share;

(d) whether Government have given any instructions to IOC to purchase the shares of the other oil PSUs; and

(e) if so, the details thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) The Government has sold 33.58% of equity of